



**Information on  
Stockholders' Rights**

2020

**Bayer AG  
Virtual Annual Stockholders'  
Meeting**

## 1. Additions to the agenda

Stockholders whose shares together account for one-twentieth of the capital stock or a proportionate interest of EUR 500,000 (corresponding to 195,313 shares) may request that items be added to the agenda and announced, in accordance with Section 122, Paragraph 2 of the German Stock Corporation Act (AktG). Pursuant to Section 87, Paragraph 4 of the AktG, such an item may also pertain to the maximum level of compensation having been determined for members of the Board of Management as per Section 87a, Paragraph 1, Sentence 2, No. 1 of the AktG. Each new item must be accompanied by the reasons for it or a proposed resolution. The request must be directed to the Board of Management in writing and may be sent to the following address:

Bayer Aktiengesellschaft  
Board of Management  
Building W 11  
Kaiser-Wilhelm-Allee 1  
51373 Leverkusen  
Germany

Pursuant to Section 122, Paragraph 2 of the German Stock Corporation Act and Section 1, Paragraph 3, Sentence 4 of the Law on Measures Under Company, Cooperative, Association, Foundation and Property Ownership Law to Combat the Effects of the COVID-19 Pandemic (COVID-19 Act), requests for additions to the agenda must be received by the Company at least 14 days before the Meeting, i.e. by 24:00 hours Central European Summer Time (CEST) on Monday, April 13, 2020. Applicants must provide evidence that they have been holders of the shares for at least 90 days preceding the date of receipt of the request and that they will hold the shares until a decision on the motion has been made by the Board of Management.

Additions to the agenda to be announced will be published in the Bundesanzeiger (Federal Gazette) without delay and submitted for publication to those media which may be presumed to distribute the information throughout the European Union, unless already announced with the Notice of the Meeting. They will also be made available online at [www.bayer.com/stockholders-meeting](http://www.bayer.com/stockholders-meeting) without delay.

Section 122, Paragraphs 1 and 2 of the AktG sets out the legal basis for requesting additions to the agenda and reads as follows:

“(1) The stockholders' meeting shall be convened if stockholders whose shares together account for one-twentieth of the capital stock request such a meeting in writing, stating the purpose and the reasons for such a meeting; the request shall be addressed to the Board of Management. The articles of incorporation may provide that the right to require a stockholders' meeting to be convened shall be dependent upon another form or the holding of a lower proportion of the capital stock. The applicants must provide evidence that they have been holders of the shares for at least 90 days preceding the date of receipt of the request and that they hold the shares until a decision on the motion by the Board of Management has been made. Section 121, Paragraph 7 shall be applied accordingly.

(2) In the same manner, stockholders whose shares together account for one-twentieth of the capital stock or represent a proportionate amount of the capital stock corresponding to EUR 500,000 may request that items are added to the agenda and announced. Each new item shall be accompanied by the reasons for it or a proposed resolution. The request within the meaning of Sentence 1 shall be submitted to the company at least 24 days, in the case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be included in this calculation.”

Section 121, Paragraph 7 of the AktG, which shall be applied accordingly, reads as follows:

“For deadlines and periods calculated backwards from the date of the meeting, the day of the meeting shall not be included in the calculation. Adjourning the meeting from a Sunday, Saturday or public holiday to a preceding or following business day shall not be possible.

Sections 187 to 193 of the German Civil Code (BGB) shall not be applied accordingly. In the case of non-listed companies, the articles of incorporation may define a different calculation of the deadline.”

Section 1, Paragraph 3, Sentences 3 and 4 of the COVID-19 Act read as follows:

“If the meeting is convened at short notice pursuant to Sentence 1, notification pursuant to Section 125, Paragraph 1, Sentence 1 of the AktG must be given twelve days at the latest prior to the date of the meeting and notification pursuant to Section 125, Paragraph 2 of the AktG must be given to persons who are entered in the stockholder register at the beginning of the twelfth day prior to the date of the meeting. By derogation from Section 122, Paragraph 2 of the AktG, requests for additions to the agenda must in this event be submitted at least 14 days prior to the date of the meeting.”

Section 70 of the AktG (Calculation of the period of shareholding) reads as follows:

“If the exercise of rights arising from a share requires that the stockholder has been the holder of such share for a certain period of time, the right to demand transfer of title from a credit institution, a financial services institution or an enterprise operating under Section 53, Paragraph 1, Sentence 1 or Section 53b, Paragraph 1, Sentence 1 or Section 53b, Paragraph 7 of the German Banking Act (KWG) shall be deemed equivalent to ownership. The period during which the share has been owned by a predecessor shall be attributed to the stockholder if he/she has acquired the share without consideration, from his/her trustee, as full legal successor, in connection with the winding up of a co-ownership or as a result of a transfer of assets pursuant to Section 13 of the Insurance Supervision Act (VAG) or Section 14 of the Building Loan Associations Act (BauSparkG).”

Section 87, Paragraph 4 of the AktG reads as follows:

“Subject to a request in accordance with Section 122, Paragraph 2, Sentence 1, the stockholders' meeting shall be able to reduce the maximum level of compensation having been determined as per Section 87a, Paragraph 1, Sentence 2, No.1.”

Section 87a, Paragraph 1, Sentence 2, No.1 of the AktG reads as follows:

“The Supervisory Board of the publicly listed company shall resolve on a compensation system for the Management Board members that is clear and understandable. To the extent that the compensation components in question are actually envisaged, this compensation system shall comprise at least the following elements:

1. Establishment of a maximum level of compensation for the Management Board members.”

## 2. Countermotions and proposals for election

Pursuant to Section 1, Paragraphs 1 and 2 of the COVID-19 Act, the Board of Management has resolved that the Annual Stockholders' Meeting 2020 be held in the form of a virtual meeting without the physical presence of stockholders or their proxy holders and that stockholders' votes during the virtual meeting be cast primarily by electronic means.

The rights of stockholders to submit motions and proposals for election relating to items of the agenda or the rules of procedure are excluded according to the legal concept underlying the COVID-19 Act. Stockholders are nevertheless offered the opportunity, in analogous application of Sections 126 and 127 of the AktG, to submit countermotions and proposals for election ahead of the virtual Annual Stockholders' Meeting as provided in the following.

The Company will make available any such countermotions and proposals for election including the name of the stockholder, the reasons (although this is not required for proposals for election), and any statement by the management as well as, in the case of proposals for election of Supervisory Board members, the instructions and information by the Board of Management on the

composition of the Supervisory Board in accordance with Section 127, Sentence 4 of the AktG in conjunction with Section 96, Paragraph 2 of the AktG at [www.bayer.com/stockholders-meeting](http://www.bayer.com/stockholders-meeting), provided the stockholder has sent the information to the Company at least 14 days before the Meeting, i.e. by 24:00 hours Central European Summer Time (CEST) on Monday, April 13, 2020, to the following address:

Bayer Aktiengesellschaft  
Building Q 26 (Legal Department)  
Kaiser-Wilhelm-Allee 20  
51373 Leverkusen  
Germany  
Fax: + 49 (0) 214 / 30-26786  
E-mail: [hv.gegenantraege@bayer.com](mailto:hv.gegenantraege@bayer.com)

and the other requirements under Sections 126 and 127 of the AktG have been met.

In line with the concept of the COVID-19 Act, however, such countermotions and proposals for election will not be put to a vote or otherwise dealt with during the Meeting.

The provisions of the German Stock Corporation Act underlying these stockholders' rights, which also determine the conditions under which the Company may refrain from making available countermotions and proposals for election, read as follows:

"Section 126 Motions by stockholders

- (1) Motions by stockholders, together with the stockholder's name, the reasons, and any statement by management, shall be made available to the persons entitled pursuant to Section 125, Paragraphs 1 to 3 under the conditions stated therein, if the stockholder has sent a countermotion to a proposal of the Board of Management and Supervisory Board regarding a specific item on the agenda, with reasons, to the address indicated in the notice convening the meeting at least 14 days before the company's stockholders' meeting. The date of receipt shall not be taken into account. In the case of listed companies, availability shall be ensured via the company's website. Section 125, Paragraph 3 shall apply with the corresponding modifications.
- (2) A countermotion and the reasons for this need not be made available, if:
  1. the Board of Management would by reason of such communication become criminally liable;
  2. the countermotion would result in a resolution of the stockholders' meeting that would be illegal or would violate the articles of incorporation;
  3. the reasons contain statements that are manifestly false or misleading in material respects or that are libelous;
  4. a countermotion by such stockholder based on the same facts has already been communicated to a stockholders' meeting of the company pursuant to Section 125;
  5. the same countermotion of such stockholder on essentially identical grounds has already been communicated pursuant to Section 125 to at least two stockholders' meetings of the company within the past five years, and at such stockholders' meetings less than one-twentieth of the capital stock represented voted in favor of such countermotion;
  6. the stockholder indicates that he or she will neither attend nor be represented at the stockholders' meeting; or
  7. within the past two years, the stockholder has at two stockholders' meetings failed to make or cause to be made on his or her behalf a countermotion communicated to him or her.

The statement of reasons need not be made available if it totals more than 5,000 characters.

- (3) If several stockholders make countermotions for resolution in respect of the same subject matter, the Board of Management may combine such countermotions and the respective reasons.

#### Section 127 Proposals for election by stockholders

Section 126 shall apply, with the necessary modifications, to proposals by stockholders for election of Supervisory Board members or the auditors of the financial statements. No reasons must be given for proposals for election. The Board of Management is not required to make the proposal for election available if it fails to contain the information stipulated in Section 124, Paragraph 3, Sentence 4 and Section 125, Paragraph 1, Sentence 5. The Board of Management shall supplement the proposal by a stockholder for election of Supervisory Board members of listed companies which are subject to the German Codetermination Act (MitbestG), the German Act on Codetermination in the Coal, Iron and Steel Industry (MontanMitbestG) or the German Supplementary Codetermination Act (MontanMitbestGErgG) with the following information:

1. reference to the requirements of Section 96, Paragraph 2,
2. statement whether there has been an objection to overall fulfilment pursuant to Section 96, Paragraph 2, Sentence 3, and
3. statement of minimum number of seats on the Supervisory Board to be occupied by women and men, respectively, to comply with the minimum quota pursuant to Section 96, Paragraph 2, Sentence 1.

#### Section 124, Paragraph 3, Sentence 4 (Proposals for resolutions)

The proposal for the election of members of the Supervisory Board or auditors shall state their names, actual profession and place of residence.

#### Section 125 Communications to stockholders and Supervisory Board members (as applicable for the Annual Stockholders' Meeting 2020)

- (1) At least 21 days prior to the date of the stockholders' meeting, the Board of Management shall communicate the notice of the stockholders' meeting to those credit institutions and stockholders' associations that exercised voting rights on behalf of stockholders at the preceding stockholders' meeting or that have requested such communication. The day of the communication shall not be included in the calculation. If the agenda has to be amended in accordance with Section 122, Paragraph 2, such amended agenda shall be communicated in the case of listed companies. The communication shall indicate the possibilities of exercising voting rights by a proxy, including by a stockholders' association. In the case of listed companies, any proposal for the election of Supervisory Board members must be accompanied by details on the membership in other Supervisory Boards whose establishment is required by law; details on their membership in comparable domestic and foreign controlling bodies of business enterprises should also be provided.
- (2) The Board of Management shall provide the same communication to stockholders who make such request or are registered as stockholders in the company's stock register at the beginning of the 14th day before the meeting. The articles of incorporation may constrain communication to electronic means.
- (3) Every member of the Supervisory Board may request that the Board of Management send the same communication to him or her.
- (4) Upon request, every member of the Supervisory Board and every stockholder shall be sent the resolutions adopted at the stockholders' meeting.
- (5) Financial services institutions and enterprises operating under Section 53, Paragraph 1, Sentence 1 or Section 53b, Paragraph 1, Sentence 1 or Section 53b, Paragraph 7 of the German Banking Act (KWG) shall be treated as equivalent to credit institutions."

### 3. Submission of questions by electronic means

Pursuant to Section 1, Paragraphs 1 and 2 of the COVID-19 Act, stockholders are offered the opportunity to submit questions by electronic means. The right of information as defined in Section 131 of the AktG shall not apply.

The Board of Management has stipulated that any questions must be submitted by electronic means two days prior to the Meeting at the latest. Stockholders who have registered to participate in the virtual Annual Stockholders' Meeting may submit their questions to the Company by 24:00 hours CEST on Saturday, April 25, 2020, at the email address [Bayer-HV2020-Fragen@computershare.de](mailto:Bayer-HV2020-Fragen@computershare.de) accompanied by evidence that they are stockholders of the Company (name, date of birth and address of the stockholder or the stockholder number). The Board of Management shall decide at its discretion, after due consideration, which questions it answers and how it answers them.

The provisions underlying this opportunity to submit questions by electronic means (Section 1, Paragraph 2, Sentence 1, No. 3 and Sentence 2 of the COVID-19 Act) read as follows:

"The Board of Management may decide that the meeting be held in the form of a virtual annual stockholders' meeting without the physical presence of stockholders or their proxy holders, provided that

[...]

3. stockholders are offered the opportunity to submit questions by electronic means,

[...]

The Board of Management shall decide at its discretion, after due consideration, which questions it answers and how it answers them; it may also stipulate that any questions must be submitted online two days prior to the Meeting at the latest."

This translation is provided for convenience only. The German version is the sole legally binding version.



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